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GOVERNMENTAL IMMUNITY - TEXAS

Dallas County Hosp. Dist. v. Hospira Worldwide, Inc.

Court of Appeals of Texas, Dallas - April 30, 2013 - S.W.3d - 2013 WL 1803572

Hospital District entered into a written lease and purchase contract with Hospira for certain medical equipment and supplies. During the term of the lease, Hospira did not invoice the District for the full amount of the monthly lease. Several months after the end of the lease term, Hospira invoiced the District for the remaining amounts due under the lease. After Hospira's attempts to recover the shortfall from the District were unsuccessful, Hospira sued the District asserting the District's immunity from suit had been waived by section 271.152 of the local government code. The District filed a plea to the jurisdiction contending Hospira's suit was barred by sovereign immunity. Among other things, the District argued that its immunity from suit had not been waived under section 271.152 because it was not a local government entity as defined in section 271.151.

"We must decide whether the legislature intended to waive the District's immunity from suit from Hospira's claims by enacting sections 271.151.160 of the local government code, which waives immunity from suit for contract claims against most local governmental entities in certain circumstances. Because the language defining a local governmental entity in section 271.151 clearly and unambiguously encompasses county hospital districts, we conclude the District's immunity from suit for Hospira's breach of contract claim has been waived by section 271.152. We further conclude, however, that the waiver of immunity afforded under section 271.151 does not extend to Hospira's alternative claim for quantum meruit."